

SUPPORT AGREEMENT

6/00

THIS SUPPORT AGREEMENT made as of this ____ day of _____, 2000, between CHILD DEVELOPMENT RESOURCES, INC., a Virginia non-stock, nonprofit corporation ("CDR") and the COUNTY OF YORK, VIRGINIA (the "County");

RECITALS

A. In York County, Virginia, economically or otherwise disadvantaged parents need low cost child care and early childhood developmental programs. Such care will permit the parents to work or prepare to gain employment and thereby achieve self-sufficiency and an increased quality of life.

B. CDR, as part of its program of service to the citizens of York County is willing to operate a child care center identified as First Steps (the "Center"), with the purpose of providing child care and developmental services to disadvantaged citizens. Financial support for CDR is derived from various sources.

C. Under S 15.2-953, Code of Virginia (1950), as amended, the County can appropriate funds to support the Center and can enter a contract with the CDR regarding the operation of the Center. The needs of the community dictate that the County exercise this grant of authority.

NOW, THEREFORE, for and in consideration of the mutual obligations set forth herein, the parties agree as follows:

Section 1. Facilities. The County will lease to CDR space in the Griffin-Yeates Building, 1490 Government Road, York County, Virginia (the "Building") in accordance with terms and conditions of a Lease Agreement to be negotiated from time to time.

Section 2. County Funding. The County will appropriate \$121,186 funding to support the Center for the initial term of this Agreement. The County shall pay to CDR such amount in monthly installments of \$10,098 payable on the first day of each month during the term hereof (less amounts due from CDR to the County School Board under the Bus Service Agreement contemplated by Section 3 hereof). CDR will use such County

funding solely to finance the operations of the Center. If, based upon the audited financial statements of the Center required by Section 6 hereof, CDR has received revenues from or in lieu of client fees greater than \$121,186 in payments for child care at the Center during the term hereof, CDR shall refund to the County an amount equal to the excess of such revenues over \$121,186. If such revenues do not exceed \$121,186 CDR will have no obligation to make any refund to the County. Any such refund shall be made by CDR within fourteen days of the receipt of the audited financial statements of the Center.

Section 3. Bus Service. At the request of CDR during the term of this Agreement, the County will contract with the County School Board of York County to provide bus transportation between home and the Griffin-Yeates Building for children.

Section 4. CDR Services. CDR will establish, staff, and operate a child care center licensed for up to 48 children from 6 weeks to 5 years in age in the County's Griffin-Yeates Building. The primary purpose of the program shall be to provide child care and developmental services to children of economically disadvantaged families, especially those who are attempting to secure employment or training for employment. In addition, at least 12 York County infants and toddlers will be served through the developmental day care program and/or the Early Head Start program. Another goal will be to provide an early childhood educational experience for the children. CDR's child care center shall operate year-round, from 7:30 a.m. until 5:00 p.m., Monday through Friday, unless otherwise agreed by the County.

Section 5. License. CDR will operate the Center under a child care center license issued by the Commissioner of the Department of Social Services pursuant to Va. Code S 63.1-196, et seq.

Section 6. Eligibility.

(a) Children of parents or guardians (including single parents or guardians) who are (i) residents of York County or one of whom is a CDR employee, and (ii) employed or attending school will be eligible for enrollment in the Center.

(b) At least 70% of the children enrolled in the Center will be children of parents or guardians whose income does not exceed the United States Department of Agriculture

standards for the reduced rate FNS Child Care Food Program (hereinafter called "Economically Disadvantaged Parents").

(c) Children of County residents who are not otherwise eligible for enrollment in the Center but who have special needs which can be addressed at the Center in furtherance of the general welfare of the County, may be enrolled in the Center with prior written notice to the County Community Services Director.

(d) Fees will be equal to the maximum allowable market rate for the service area, established by the Department of Social Services, to allow CDR to maximize federal and state funding resources. Economically Disadvantaged Parents who do not qualify for state or federal assistance will be considered for reduced fees on a sliding scale basis approved by the County. Any such reduced fee will be at least 40% less than the average fees of commercial child care centers within CDR's service area.

Such fee shall be calculated by CDR with a copy provided to the Community Services Director. Parents of other eligible children shall be charged fees determined by CDR from time to time on a sliding scale approved by the County. Fees for families at or above 90% of the York County median household income will be charged \$92 per week, which is equivalent to the average fees of commercial child care centers in the CDR service area. On an individual case basis, CDR, with notice to the Community Services Director, may assess a lesser fee when parents or guardians are disadvantaged in a manner which does not satisfy the criteria in Subsection 5 (b) above. In no case will the reduced fee be less than the fee charged Economically Disadvantaged Parents.

Section 7. Records. CDR will maintain adequate financial and program records for the Center in accordance with its current practices, prepare annual financial statements for the Center and have such statements audited by an independent public accountant (who may be the accountant engaged by CDR to audit its financial statements) and furnish the County with such annual financial statement and the auditor's report thereon.

Section 8. Insurance. CDR will obtain and maintain for the term of this Agreement:

(a) Comprehensive liability insurance in the amount of \$500,000 which names the County, its officials and employees as additional insured for any motor vehicles owned by CDR and used in the operation of the Center.

(b) Comprehensive liability insurance in the amount of \$500,000 which names the County, its officials and employees as additional insured for the conduct of the child care program identified herein.

(c) CDR will be responsible for insuring its personal property at the Center. The County will have no obligation to insure CDR property against damage or theft.

(d) CDR shall bear all loss, expense (including reasonable attorney's fees) and damage in connection with, and shall indemnify the County against and save the County harmless from all claims, demands and judgments made or recovered against the County because of personal injuries, including death at any time resulting therefrom, and/or because of damage to property, from any cause whatsoever, arising out of, incidental to, or in connection with the performance of childcare and development by CDR, including acts of CDR's employees, servants or agents, whether or not such claims are due to any act of omission or commission. Compliance by CDR with the insurance provisions hereof shall not relieve CDR from liability under this provision. This agreement does not require CDR to defend or otherwise indemnify the County, its officials, agents or employees, or any of them against claims that the County, its officials, agents or employees or any of them were negligent.

Section 9. Food Service. Children enrolled in the Center will be eligible for the County's food service program in the Griffin-Yeates Center. CDR and the County agree that no charge for food services will be assessed against CDR during the term of this Agreement, but that participation of CDR clients in the program will be monitored so that the need for future payments for food service can be evaluated.

Section 10. Term. The term of this Agreement commences on July 1, 2000, and terminates as of 12:01 a.m. on July 1, 2001. Either party can terminate this Agreement for any reason one hundred twenty (120) days after giving written notice to the other party of its intent to terminate.

Section 11. Miscellaneous. The provisions herein state the full agreement between the parties. The parties expressly declare this Agreement creates no agency relationship nor any other relationship between the parties except as independent contractors.

IN WITNESS WHEREOF, the parties set their hand, CDR by its Chairman and the County by its County Administrator pursuant to Resolution R00-80 adopted on, _____, 2000, by the York County Board of Supervisors.

CHILD DEVELOPMENT RESOURCES, INC

By _____
Chairman

COUNTY OF YORK, VIRGINIA

By _____
County Administrator

Approved as to form:

County Attorney